

kept their heads, discouraged exaggerated speculations, and prevented a serious panic. In England, business came to a standstill, the discounts of the bank dropped from £23,000,000 to £12,000,000 and on April 1, 1811, the Treasury came to the rescue of the market by an advance of £6,000,000 in Exchequer bonds to merchants offering good security. The period of liquidation was made more severe than usual and recovery slower by the great poverty of the crops of 1811. Speculation in agricultural products and land led to the rapid extension of the system of enclosure of land which had formerly been in commons. Such large sums were sunk in fencing and improvements and so much land was brought under cultivation that the fall of prices, upon the close of the Napoleonic wars and the resumption of specie payments, ruined many small cultivators and threw their land again upon the market,<sup>1</sup>

*The Crises of 1814.-19.*

The commercial movements of the second decade of the present century reflected the disturbed condition of public affairs. The policy of crushing each other's trade by paper blockades and interference with the rights of neutrals, which governed England and her allies on one side and France and her dependencies on the other, made commerce like the casting of dice in a game of chance. Markets which had been closed to English and American goods were opened from time to time, with the expulsion of the French from Portugal and Spain and the accession of Russia and Sweden to the coalition against Napoleon. The news of his disasters in Russia in the autumn of 1812 diffused the belief in England that the French Emperor was upon the eve of his downfall and that France would soon be thrown open to the commerce of the world. Speculation ran riot in colonial produce, which it was believed would find a ready market in France at the extravagant prices which ruled there for the small quantities which had escaped the Continental

<sup>1</sup> Cunningham, II., 479.